



Non-Employee Director Stock Ownership Requirement

Purpose: The purpose of this non-employee director (“Director”) stock ownership requirement is to require ownership of Cypress Semiconductor Corporation’s common stock, to further align the interest of Directors with stockholders of the Company and to further promote superior oversight, growth, and protection of the business of the Company.

Ownership Requirements: Directors are required to own 30,000 shares of common stock of the Company in accordance with the Timeline set forth below (Ownership Requirement). The term “ownership” includes (i) shares of the Company held directly by the non-employee director; (ii) shares of the Company held by a family member of a non-employee director living in the same household; and (iii) shares of the Company held in a trust in which the non-employee director is a grantor or beneficiary with voting and investment power. “Ownership” does not include options to purchase stock or unvested restricted stock units.

Timeline: A Director is required to accumulate and own, with reasonable progress, the Ownership Requirement, with a target to meet this Ownership Requirement, no later than the fifth anniversary of Director’s appointment or the election, for new Directors, and no later than the fifth anniversary of the approval of this Ownership Requirement for current Directors.

Monitoring and Administration: This Ownership Requirement will be monitored and administered by the Nominating and Corporate Governance Committee.

Amendment and Modification: The Board of Directors may, upon the recommendation of the Nominating and Corporate Governance Committee, at any time, amend or modify this Ownership Requirement in whole or in part.